

3-8. Prior Year Funds.

- a. Prior fiscal year funds control is centralized at the USPFO. Only the USPFO, Comptroller or Accounting Officer can certify funds availability.
- b. Program manager actions affecting prior year funds may contribute to an Antideficiency Act violation. Accountability rests with the PM.

3-9. Mobilization Funding.

- a. The two phases of federalization, alert and mobilization generate immediate funding requirements. The budget officer will activate contingency program manager codes to separately identify costs related to the mobilization and deployment.
- b. The Director, Plans Operations and Training (DCSOPS) will provide the budget office the alert notification and mobilization order. Funding will be requested from NGB. The budget office will coordinate with the mobilization station for fund citation for movement from home station to mobilization station.

Chapter 4**Program Budget Advisory Committee****4-1. General.**

- a. Control of federal funds is a responsibility of the USPFO. Responsibility cannot be delegated but the Program Budget Advisory Committees (PBAC) will be formed to aid the USPFO in carrying out this responsibility by assisting in determining the priorities in management of funds as expressed by The Adjutant General (TAG). The Senior Program Budget Advisory Committee (SPBAC) and PBAC I are appointed by TAG (NG Pam (AR) 37-1 paragraph 1-4a). Appointment is as designated in paragraphs 4-2a and 4-3a
- b. The role of the PBAC is to develop and review the Kansas budget and make recommendations on all matters relating to the financial operation of Kansas. The SPBAC develops priorities and objectives. Level I, the decision maker / approving PBAC, is normally composed of senior staff representatives also considered as program coordinators. Level II, the recommendations / working PBAC, is composed of the PMs or alternate PMs.
- c. Voting. Voting members of the PBACs are the commanders, program coordinators or their representative present during the PBAC meeting. More than one representative per program may be present at the meeting but only one vote will be allowed per program. Votes of 1-5 will be used, with 1 being support, 2-4 being a degree of support and 5 being no support. Five votes will be allowed the opportunity to express their reasoning.

4-2. Senior Program Budget Advisory Committee (SPBAC).

- a. The purpose of the SPBAC is to set strategic budget priorities and annual objectives for the KSARNG and to provide guidance to PBAC I as required. SPBAC is a committee chaired by Commander of the KSARNG and meets at least quarterly. The USPFO attends the meetings as an Advisor and the Budget Officer is the recorder. Appointed members of the SPBAC are the Commander of the ARNG; Chief of the Staff and MSC Commanders from each MSC level command; appointed members are voting members. If a voting member is unable to attend a SPBAC meeting, the member may appoint an informed and empowered representative. Non-voting members of the SPBAC are the USPFO, J8, Comptroller, the recorder, State Command Chief Warrant Officer, and the State Command Sergeant Major.
- b. At the call of the SPBAC chairman, during the fourth quarter of each fiscal year the SPBAC meets to set strategic budget priorities and annual objectives for the KSARNG. Subsequent quarterly meetings of the SPBAC validate the strategic budget priorities, annual objectives, and review the current budget situation.

c. Only members of the SPBAC or their empowered representatives may be seated at the meeting table. Others may attend but will be seated to the rear of the table. This is intended to make clear who is empowered to participate and to vote.

d. The chairman may select a facilitator for each meeting and will approve the agenda which is jointly developed by the USPFO and the budget officer. Read-ahead materials will be sent to SPBAC with an information copy to PBAC I. The chairman will open the meeting with applicable remarks and a review of the last meeting minutes. The budget officer will review the budget situation since the last SPBAC. Any assigned taskers from the last meeting will be presented. The concluding phase is confirming the time and location for the next meeting.

e. Any SPBAC member may put an issue on the agenda prior to or during the meeting. The chairman will determine if the issue should be discussed during that meeting, be referred to subsequent meetings or be approached in a different manner. Consensus is the preferred method of making agreements. The chairman will call for majority only when there is no possibility of consensus due to a lack of time or other factors when the decision cannot be deferred for a resolution at a later time.

4-3. Level I, Program Budget Advisory Committee (PBAC I).

a. The purpose of the PBAC I is to resource programs by redistributing AFP based upon unfinanced requirements (UFRs) and excesses presented by program coordinators to achieve the objectives of the KSARNG. PBAC I is a committee chaired by the KSARNG Chief of Staff and meets at least quarterly. The USPFO attends the meetings as an Advisor and the Budget Officer is the recorder. Appointed members of the PBAC I are the Administrative Officer/representative from each MSC level command; the Director from each JFHQ Directorate; and the Program Coordinator, Battle Command Training Center (BCTC). Appointed members are voting members. If a voting member is unable to attend a PBAC I meeting, the member may appoint a fully informed and empowered representative. Non-voting members of the PBAC I are the chairman, the USPFO, the Comptroller, the recorder and the State Command Sergeant Major.

b. Program coordinators are the JFHQ Directorates. At the call of the PBAC I chairman, during the first quarter of each new fiscal year the program coordinators will prepare and present a briefing to the KSARNG command group regarding the status of their accounts. The briefing will present the anticipated shortfalls that are expected to be funded by NGB at some time during the current fiscal year, the fiscal year's UFRs, any 'must fund' requirements and any excess AFP. The chairman may call for updated program status reports from program coordinators throughout the fiscal year.

c. Program coordinators present UFRs and 'must fund' requirements within their programs to the PBAC I. They are responsible to coordinate the UFR impact with their customers and present the projected impact of an UFR on a program in terms of the attainment of KSARNG objectives and perhaps measurable terms regarding customer expectations.

d. Only members of the Level I PBAC or their empowered representatives may be seated at the meeting table. Others may attend but will be seated to the rear of the table. This is intended to make clear who is empowered to participate and to vote.

e. The chairman may select a facilitator for each meeting and will approve the agenda which is jointly developed by the USPFO and the budget officer. Read-ahead materials will be sent to PBAC I with an information copy to PBAC II. The chairman will open the meeting with applicable remarks and a review of the last meeting minutes. The budget officer will review the FADs received since the last PBAC

I. Program coordinators will briefly explain the FAD changes in their programs. Any assigned taskers from the last meeting will be presented. Actions regarding the 2065 and the 2060 appropriations will be
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discussed to include AFP redistribution, priority funding, excess AFP, funding of any 'must fund' or time sensitive items and review of the unfinanced requirements. The concluding phase is confirming the time and location for the next meeting.

f. Any PBAC I member may put an issue on the agenda prior to or during the meeting. The chairman will determine if the issue should be discussed during that meeting, be referred to subsequent meetings or be approached in a different manner. Consensus is the preferred method of making agreements. The chairman will call for majority only when there is no possibility of consensus due to a lack of time or other factors when the decision cannot be deferred for a resolution at a later time.

g. The USPFO requires the annual operating budget to be submitted to the budget office utilizing decrement lists. PBAC I funding is provided based upon whether it is statutory, regulatory or a must fund, time sensitive item. Requirements are either funded by the appropriate program's coordinator or returned to requestor without action. Returned requirements will be placed on the PBAC I UFR list by the appropriate PC. UFRs and must funds are to be submitted to the budget office at least three working days prior to a PBAC I meeting. UFRs will be submitted in accordance with the SOP standard format. The submission must be in writing and include full justification and impact statements.

h. The prioritization of UFRs helps in keeping expenditures aligned with organizational objectives and precludes resource allocation based upon first come, first served or some other arbitrary method. When determining the rationale for the prioritization of UFRs, members agree that they will use, as a start point, the hierarchy of statutory, regulatory and command directed. Members may add non-prioritized UFRs to the list by providing the information to the budget officer. UFRs will be entered onto the existing UFR list and provided to the PBAC members with the next meeting's agenda. The normal process is the program coordinators add UFRs for their programs after coordinating with their customers and determining if it is possible to execute the UFR if funds become available. Members of the PBAC I will prioritize the UFR list near the end of the current fiscal year or at the call of the chairman. The standing UFR list published at the end of the current fiscal year reflects the PBAC priorities.

i. Program coordinators have the authority to request movement of AFP within their total program without approval of the PBAC I. Any movement of AFP between program coordinators requires the approval of the PBAC unless the move must occur prior to the next PBAC I meeting. If the AFP must be moved between program coordinators prior to the next PBAC I meeting, the Budget Officer may approve moves up to the \$10,000 AFP, with notice to the chairman and to the USPFO. Movement of AFP between program coordinators in excess of \$10,000 must be approved by the chairman, with notice to the USPFO. Program coordinators must furnish the Budget Officer a completed AGKS Form 41 (See Figure C-6.) with signatures and a brief explanation for the movement. The Budget Officer will request the required notice and / or approval from the chairman and the USPFO.

4-4. Level II, Program Budget Advisory Committee (PBAC II).

a. The PBAC II is the recommendations / working PBAC and is composed of the PMs or alternate PMs.

b. The USPFO is authorized to appoint key personnel to be fund PMs and may issue funds to them. PMs may commit and obligate federal funds as long as they have a system to ensure that they can manage and account for these funds (NG Pam (AR) 37-1 paragraph 1-4). Funds issued to these PMs are "Targets" and the USPFO is never relieved of his responsibility to ensure that procedures established and maintained will prevent violations of statutes, regulations and directives. Funds are provided through the NGB to the USPFO in FADs.

c. The purpose of the Level II PBAC is to cross-level and redistribute available allotment based upon program requirements, to fund shortfalls caused by changes in programs, to review and resolve minor resource allocation matters and to make recommendations on major resource allocation problems for consideration by PBAC I. The PBAC II is a committee chaired by the Budget Officer, composed of the PMs and/or alternate PMs, that meets at least monthly. The PBAC II is tasked with attaining a 98% quarterly allotment execution rate. The execution rate is based upon the NGB requirement that each appropriation in Kansas be executed within 90% to 100%.

d. Allotment is issued to PMs in accordance with the obligation plans on file in the budget office. Further redistribution of allotment will be made as recorded in the PBAC II minutes; by submission of a completed AGKS Form 41 signed by the PM(s) to the budget office; by official e-mail or as determined necessary by the Budget Officer. The AGKS Form 41 is designated for use by the PM in requesting changes in quarterly or annual program targets in their area of responsibility and to permit evaluation by the budget office, of requested changes in funding target and other budget actions. Also used for turn back of AFP or allotment.

4-5. Unfinanced Requirements (UFR)

1. Seldom will a unit or activity be fully resourced to cover all valid requirements. Commanders and program coordinators are responsible for ensuring that those resources that are provided are applied in the most effective manner towards the highest priority requirements. An Unfinanced Requirement (UFR) is that portion of an activity's total requirements that is not covered by available funding. The unit or activity can submit a UFR using the format shown below to request additional funding. Remember that by definition a requirement that is unresourced is less important than any of the requirements that the unit or activity funds. Care should be taken to avoid the temptation to submit a "Gold Watch" that is to unfund a critical requirement, apply those resources to a lower priority requirement and then submit the now unfunded high priority requirement as a UFR in the belief that higher headquarters "must" fund it.

2. Submission. Although UFRs may be submitted at any time, they are typically submitted upon receipt of the initial budget guidance, at midyear and in preparation for the end of the fiscal year. UFRs will be submitted to the USPFO Budget Officer who will coordinate as required with the appropriate program coordinator. The USPFO Budget Officer will use the UFRs received to develop a recommended consolidated PBAC I UFR list based on the Commander's resource priorities. The list will be presented to the PBAC I for approval. During the PBAC I program coordinators present UFRs and 'must fund' requirements within their programs. Based on KSARNG's funding situation, resource priorities and guidance received from NGB, selected UFRs will be submitted to NGB for consideration. UFRs will be submitted by their program coordinator to their NGB coordinator with a copy sent to the USPFO Budget Officer. While direct staff coordination between the program coordinator and their NGB counterpart is key to successfully coordinating, UFRs will not be submitted to NGB directly by staff sections, other than the program coordinator, or by units. Submission of uncoordinated UFRs reduces Kansas' credibility with NGB, waste time and potentially reduces the chance of funding.

3. Funding. The decision to fund a UFR will be based on availability of funding and the relative priority of the UFR compared to other UFRs received. Although a consolidated KSARNG UFR list will be developed and maintained, the TAG may elect to fund other requirements based on changes to the situation.

4. UFR Format. The following format will be used:

a. UFR TITLE:

b. PRIORITY: (Only one #1 priority please)

c. DROP DEAD DATE: This is the latest possible date that you can receive the funds and execute the requirement. Remember processing time and contracting cut off dates. The Drop-Dead Date should be the last day on which the requirement can be accomplished/procured and still be used as intended. For example: Training Exercise is scheduled for the week of 12 July. You need \$100K to do the exercise. Your drop-dead date cannot be 3 August. In comparison, if the requirement is to purchase ADP equipment, the drop-dead date is the last day that Contracting can accomplish the purchase IAW the year end close-out plan, which can be as late as 30 Sep if proper coordination is done with Contracting. By attaching a Drop-Dead Date of less than 30 Sep on this requirement, you are limiting your opportunities for obtaining funds as year-end funds become available.

d. SUBMITTED BY: Unit or Activity submitting the UFR.

e. POINT OF CONTACT: Name, email and phone number of the individual that has thorough knowledge of the requirement, can speak for the submitting unit or activity and is available.

f. DESCRIPTION OF REQUIREMENT: Identify the "what" of the requirement in layman's terms. Don't assume that individual reading your request is familiar with the requirement; decision makers won't support what they don't understand. Include quantity, price per item and extend cost. Identify source (i.e., supply system, contract, GSA schedule, etc.). Identify specific account funding code if possible. Spell out any acronyms if used. Include all of the necessary supporting technical information. It may be tough to determine what enough information is and what is too much. When in doubt it is better to provide too much information but keep it succinct. Integrate pictures and or graphics into your URR submission when possible; one picture could be worth a million dollars.

g. JUSTIFICATION: This is the most critical element of the UFR submission and is what will sell your UFR. You must prove exactly why the requirement is necessary and why it should be resourced. Typically your UFR will be competing with a number of other UFRs. Avoid emotional arguments and stick to facts and logic. Don't make unsubstantiated statements concerning the impacts if the UFR is not resourced. Overstating the importance of your UFR (making it look like the world will stop if this requirement is not funded) will result in you being asked why it wasn't funded first or why wasn't something else unfunded. Anticipate this question and answer it before being asked.

5. UFR Changes. The submitting unit or activity is responsible for updating any UFRs submitted as well as notifying the J8 of the UFR.

6. A sample UFR follows:

a. UFR TITLE: AGT1500 Program

b. PRIORITY: (Only one #1 priority please)

c. DROP DEAD DATE: Funds must be received NLT 6 September 2011 in order for the funds to be properly obligated before Fiscal year end

d. SUBMITTED BY: AGT1500 Program Manager through KSARNG-DOL

e. POINT OF CONTACT: MAJ John Smith (785) 239-8151 UJ.SMITH@us.army.mil

f. DESCRIPTION OF REQUIREMENT: \$5,700,000 11100000 Z4 NGP2 AGT1500

g. JUSTIFICATION: Fund the balance this FY mandated production of Engines. Currently \$24,803,497 has been received leaving a balance of \$5,700,000 in order to fund parts purchase and labor cost of engine production. Should this funding not be received by 6 Sep 2011 there will be a disruption in the production flow which will cause the ATEAM to not meet contracted production deadlines